

DYADIC INTERNATIONAL, INC.

NOMINATING COMMITTEE CHARTER

I. Purpose

The function of the Nominating Committee (the “Committee”) of Dyadic International, Inc. (the “Company”) is to identify individuals qualified to become members of the Board of Directors, to recommend for selection by the Board of Directors the director nominees for the next annual meeting of stockholders or to fill any vacancy on the Board of Directors, and to oversee the selection and composition of committees of the Board of Directors.

II. Composition

The Committee shall consist of two or more members of the Board of Directors, each of whom is determined by the Board of Directors to be “independent” in accordance with the rules of the Nasdaq Stock Market or any other national securities exchange on which the Company’s common stock is then listed, and the Securities and Exchange Commission (“SEC”).

III. Appointment and Removal

The members of the Committee shall be appointed by the Board of Directors and shall serve until such member’s successor is duly elected and qualified or until such member’s earlier resignation or removal. The members of the Committee may be removed, with or without cause, by a majority vote of the Board of Directors.

IV. Chairperson

Unless a Chairperson is elected by the full Board of Directors, the members of the Committee shall designate a Chairperson by majority vote of the full Committee membership. The Chairperson will chair all regular sessions of the Committee and set the agendas for Committee meetings.

V. Delegation to Subcommittees

In fulfilling its responsibilities, the Committee shall be entitled to delegate any or all of its responsibilities to a subcommittee of the Committee.

VI. Meetings

The Committee shall meet as frequently as circumstances dictate. The Secretary of the Company, the Chairman of the Board or any member of the Committee may call meetings of the Committee. The Committee may invite to its meetings any director, member of management of the Company, and such other persons as it deems appropriate in order to carry out its responsibilities.

VII. Duties and Responsibilities

The Committee shall have the following duties and responsibilities:

- Establish criteria for the selection of new directors to serve on the Board of Directors, taking into account at a minimum all applicable laws, rules, regulations and listing standards, a potential candidate's experience, areas of expertise and other factors relative to the overall composition of the Board of Directors.
- Identify individuals believed to be qualified as candidates to serve on the Board of Directors and recommend for selection by the Board of Directors the candidates for all directorships to be filled by the Board of Directors or by the shareholders at an annual or special meeting.
- Review the Board of Director's committee structure and recommend to the Board of Directors the directors to serve on the committees of the Board, giving consideration to the criteria for service on each committee as set forth in the charter for such committee, as well as to any other factors the Committee deems relevant, and when appropriate, make recommendations regarding the removal of any member of any committee.
- Recommend members of the Board of Directors to serve as the respective Chairs of the committees of the Board of Directors.
- Develop and recommend to the Board of Directors for its approval an annual self-evaluation process of the Board of Directors and its committees. Based on the results of the annual evaluation, as well as on any other matters the Committee shall deem relevant, the Committee shall make such recommendations to the Board of Directors regarding board processes and other items deemed appropriate to improve or ensure the effective functioning of the Board of Directors as the Committee shall from time to time deem advisable or appropriate.
- Perform any other activities consistent with this Charter, the Company's Bylaws and governing law as the Committee or the Board of Directors deem appropriate.

VIII. Advisors

The Committee shall have the authority to retain a search firm to assist in identifying director candidates, and retain outside counsel and other advisors as the Committee may deem appropriate in its sole discretion. The Committee shall have sole authority to approve related fees and retention terms.

IX. Reports and Performance Review

The Committee shall report its actions and any recommendations to the Board of Directors after each Committee meeting and shall conduct and present to the Board of Directors an annual performance evaluation of the Committee. The Committee shall review at least annually the adequacy of this Charter and recommend any proposed changes to the Board of Directors for approval.

X. Policy and Procedures Regarding Securityholder Recommended Candidates

The Committee may consider any candidate for director recommended by any securityholder of the Company. However, the Committee must consider any candidate for director recommended by (i) any securityholder that beneficially owned more than 5% of the Company's outstanding common stock for at least one year as of the date the recommendation was made, or (ii) a group of securityholders that beneficially owned, in the aggregate, more than 5% of the Company's outstanding common stock, with each of the shares used to calculate that ownership held for at least one year as of the date the recommendation was made. Consideration of any securityholder recommended candidates by the Committee will be based on criteria established for selection of director nominees generally and otherwise in accordance with this Charter. There will not be automatic approval of candidates recommended by securityholders. The Committee reserves the right to reject any candidate in its discretion, including, without limitation, rejection of a candidate who has a special interest agenda other than the best interests of the Company and its stockholders generally.

The procedures for a securityholder to recommend a candidate for nomination as a director are:

1. Submit the following information about the candidate in written correspondence mailed to the Nominating Committee c/o Dyadic International, Inc., 140 Intracoastal Pointe Drive, Suite 404, Jupiter, Florida 33477, Attn. Chairperson of Nominating Committee: name, mailing address, telephone number, email address, resume, business history, listing of other past and present directorships and director committees, any biotech industry experience and other relevant information;
2. Explain in the submission why the securityholder believes the candidate would be an appropriate director for the Company and the benefits and attributes that the candidate will provide to the Company in serving as a director;
3. Provide evidence of the securityholder's ownership of the Company's securities along with the recommendation: and
4. Indicate whether the Company may identify the securityholder in any public disclosures that it makes regarding the consideration of the director candidate.

For a candidate to be considered for nomination by the Committee with respect to any annual meeting of the Company's stockholders, other than the 2005 annual meeting, the

foregoing submission must be received by the Company not later than the 120th calendar day before the first anniversary of the date of the Company's proxy statement for the previous year's annual meeting. For the 2005 annual meeting, such submission must be received by February 1, 2005. The director candidate must make himself or herself available for interviews and must provide additional information upon request from the Company, including a director and officer questionnaire.

XI. Disclosure of Director Nominating Process

In order for the Company to comply with the disclosure requirements of applicable SEC rules, the Committee, or its Chairperson, shall, from time to time and upon request, advise the Company's legal counsel as to the following:

1. Who recommended to the Committee any new directors (who are not executive officers) that the Committee chooses to recommend for nomination as a director;
2. Any specific, minimum qualifications that the Committee believes must be met by a director nominee;
3. Any specific qualities or skills that the Committee believes are necessary for one or more of the Company's directors to possess; and
4. The Committee's process for identifying and evaluating nominees for director, including nominees recommended by securityholders, and any differences in the manner in which the Committee evaluates nominees for director based on whether the nominee is recommended by a securityholder.

XII. Procedural Rules

The Committee may establish its own rules for the conduct of its meetings and proceedings, subject to the provisions of Section 4.11 of the Bylaws of the Company and the following requirements:

1. Each member of the Committee shall have one vote;
2. A quorum of the Committee shall consist of a majority of its members;
3. The Committee shall be authorized to take any permitted action only by the affirmative vote of a majority of the members thereof present at any meeting at which a quorum of its members is present, or by the unanimous written consent of all of the members thereof;
4. Meetings of the Committee shall be held at least annually and may be held in person or by means of conference telephone equipment; and
5. The Committee shall maintain and submit to the Board of Directors copies of the minutes of each meeting of the Committee, and each written consent to action

taken without a meeting, reflecting the actions so authorized or taken by the Committee since the preceding meeting of the Board of Directors.

XIII. Disclosure of Charter

This Charter will be made available in accordance with applicable rules and regulations.

*Adopted by Resolution of the Board of Directors
January 12, 2005*